# ND RETIREMENT AND INVESTMENT OFFICE Combined Balance Sheet As of 6/30/2005

ASSETS: INVESTMENTS (AT MARKET)  DOMESTIC FOUITIES  TOTAL INTERNATIONAL EQUITIES  DOMESTIC FIXED INCOME  1,627,107,621  1,992,735,177  INTERNATIONAL FIXED INCOME  144,258,400  128,573,435  REAL ESTATE POOL  VENTURE CAPITAL  123,797,307  INTERNATIONAL FIXED INCOME  144,258,400  128,573,435  REAL ESTATE POOL  VENTURE CAPITAL  123,797,307  119,537,408  INVESTED CASH (NOTE 1)  68,245,056  105,239,683  TOTAL INVESTMENTS  RECEIVABLES  DIVIDEND/INTEREST RECEIVABLE  CONTRIBUTIONS/ASSESSMENTS REC  TOTAL RECEIVABLES  DIVIDEND/INTERSEST RECEIVABLE  CONTRIBUTIONS/ASSESSMENTS REC  TOTAL RECEIVABLES  DIVIDEND/INTERSEST RECEIVABLE  CONTRIBUTIONS/ASSESSMENTS REC  TOTAL RECEIVABLES  DIVIDEND/INTERSEST RECEIVABLE  DIVIDEND/INTERS		As of <u>6-30-05</u>	As of <u>6-30-04</u>
DOMESTIC EQUITIES	ASSETS:		
INTERNATIONAL EQUITIES   751,581,435   619,279,473   DOMESTIC FIXED INCOME   1,392,735,177   1,392,735,177   INTERNATIONAL FIXED INCOME   144,258,400   128,573,435   REAL ESTATE POOL   216,275,745   171,657,037   VENTURE CAPITAL   123,797,307   119,537,408   INVESTED CASH (NOTE 1)   68,245,056   105,239,583   TOTAL INVESTMENTS   4,389,414,331   3,945,987,790   RECEIVABLES   DIVIDEND/INTEREST RECEIVABLE   21,609,527   17,548,500   CONTRIBUTIONS/ASSESSMENTS REC   7,403,583   6,354,427   MISCELLANEOUS RECEIVABLES   29,015,298   23,905,297   TOTAL RECEIVABLES   29,015,298   23,905,297   TOTAL RECEIVABLES   29,015,298   23,905,297   TOTAL RECEIVABLES   29,015,298   23,905,297   TOTAL RECEIVABLES   8,905,245   8,511,301   DUE FROM OTHER AGENCIES (NOTE 4)   8,903   144,636   FIXED ASSETS (NET) (NOTE 5)   1,013,164   423,388   TOTAL ASSETS   8,007,781,920   \$4,446,645,840   TOTAL LEASE PAYABLE   9,550   12,945   SECURITIES LENDING COLLATERAL (NOTE 2)   579,343,979   467,673,428   COLLATE			
DOMESTIC FIXED INCOME	DOMESTIC EQUITIES	\$ 1,458,148,767	\$ 1,408,965,677
NTERNATIONAL FIXED INCOME   144,258,400   128,573,435   REAL ESTATE POOL   216,275,745   171,657,3435   171,657,3435   171,657,3435   171,657,3435   171,657,3435   171,657,3435   171,657,3435   171,657,3435   171,657,3435   170,741   171,757,37408   170,741   170,757,37408   170,741   170,757,3435   170,741   170,757,3435   170,741   170,757,3435   170,741   170,757,3435   170,741   170,757,3435   170,741   170,757,3435   170,741   170,757,3435   170,741   170	INTERNATIONAL EQUITIES	751,581,435	619,279,473
INTERNATIONAL FIXED INCOME   144,258,400   128,573,435   REAL ESTATE POOL   216,275,745   171,657,037   19,537,408   INVESTED CASH (NOTE 1)   68,245,056   105,239,583   TOTAL INVESTMENTS   4,389,414,331   3,945,987,790   RECEIVABLES   DIVIDEND/INTEREST RECEIVABLE   21,609,527   17,548,500   CONTRIBUTIONS/ASSESSMENTS REC   7,403,583   6,354,427   MISCELLANEOUS RECEIVABLES   29,015,298   23,905,297   TOTAL RECEIVABLES   29,015,298   23,905,297   TOTAL RECEIVABLES   29,015,298   23,905,297   TOTAL RECEIVABLES   29,015,298   23,905,297   TOTAL RECEIVABLES   29,015,298   2467,673,428   OPERATING CASH (NOTE 3)   8,905,245   8,511,301   DUE FROM OTHER AGENCIES (NOTE 4)   8,903   144,636   FIXED ASSETS (NET) (NOTE 5)   1,013,164   423,388   TOTAL ASSETS   \$5,007,781,920   \$4,446,645,840   \$4,446,645,	DOMESTIC FIXED INCOME	1,627,107,621	1,392,735,177
REAL ESTATE POOL         216,275,745         171,657,037           VENTURE CAPITAL         123,797,307         119,537,408           INVESTED CASH (NOTE 1)         68,245,056         105,239,583           TOTAL INVESTMENTS         4,389,414,331         3,945,987,790           RECEIVABLES         DIVIDEND/INTEREST RECEIVABLE         21,609,527         17,548,500           CONTRIBUTIONS/ASSESSMENTS REC         7,403,583         6,354,427           MISCELLANEOUS RECEIVABLES         29,015,298         23,905,297           OTHAL RECEIVABLES         29,015,298         23,905,297           OTHER ASSETS         INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           OPERATING CASH (NOTE 3)         8,905,245         8,511,301           DUE FROM OTHER AGENCIES (NOTE 4)         89,903         144,636           FIXED ASSETS (NET) (NOTE 5)         1,013,164         423,388           TOTAL ASSETS         \$ 5,007,781,920         \$ 4,446,645,840           LIABILITIES:         ACCQUATE SAYABLE         3,464,962         2,975,624           ACCQUED EXPENSES         442,004         402,723           CAPITAL LEASE PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673	INTERNATIONAL FIXED INCOME		
VENTURE CAPITAL INVESTED CASH (NOTE 1)         123,797,307 (82,408)         119,537,408 (105,239,583)           TOTAL INVESTMENTS         4,389,414,331         3,945,987,790           RECEIVABLES DIVIDEND/INTEREST RECEIVABLE CONTRIBUTIONS/ASSESSMENTS REC (7,403,583)         63,354,427 (103,583)         6,354,427 (103,583)           MISCELLANEOUS RECEIVABLES (7,403,583)         2,370         2,188 (2,370)           TOTAL RECEIVABLES (7,403,583)         2,3905,297           OTHER ASSETS (7,500)         3,905,297           INVESTED SECURITIES LENDING COLLATERAL (NOTE 2) (7,343,979)         467,673,428 (7,328)           OPERATING CASH (NOTE 3) (7,400)         8,905,245 (8,511,301)           DUE FROM OTHER AGENCIES (NOTE 4) (7,400)         8,903 (144,636)           FIXED ASSETS (NET) (NOTE 5) (7,400)         1,013,164 (423,388)           TOTAL ASSETS (7,500)         \$ 4,446,645,840           LIABILITIES: (7,500)         3,464,962 (2,975,624)           ACCOUNTS PAYABLE (7,500)         3,464,962 (2,975,624)           ACCOUNTS PAYABLE (7,500)         9,550 (12,945)           SECURITIES LENDING COLLATERAL (NOTE 2) (7,723)         579,343,979 (467,673,428)           DUE TO OTHER AGENCIES (NOTE 6) (7,723 (7,724)         579,343,979 (467,673,428)           DUE TO OTHER AGENCIES (NOTE 6) (7,724)         89,903 (144,636)           NET ASSETS AVAILABLE BEGIN OF YEAR (NOTE 7) (7,724) </td <td></td> <td></td> <td></td>			
INVESTED CASH (NOTE 1)			
TOTAL INVESTMENTS         4,389,414,331         3,945,987,790           RECEIVABLES         DIVIDEND/INTEREST RECEIVABLE         21,609,527         17,548,500           CONTRIBUTIONS/ASSESSMENTS REC         7,403,583         6,354,427           MISCELLANEOUS RECEIVABLES         2,188         2,370           TOTAL RECEIVABLES         29,015,298         23,905,297           OTHER ASSETS         INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           OPERATING CASH (NOTE 3)         8,905,245         8,511,301           DUE FROM OTHER AGENCIES (NOTE 4)         89,903         144,636           FIXED ASSETS (NET) (NOTE 5)         1,013,164         423,388           TOTAL ASSETS         \$5,007,781,920         \$4,446,645,840           LIABILITIES:         ACCQUINTS PAYABLE         3,464,962         2,975,624           ACCQUINTS PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           DUE TO OTHER AGENCIES (NOTE 6)         89,903         144,636           TOTAL LIABILITIES         583,350,398         471,209,356           NET ASSETS AVAILABLE:         NET ASSETS AVAILABLE:         3,975,436,484         3,478,716,828           NET ASSETS AVAILABLE ENGIN			
RECEIVABLES         DIVIDEND/INTEREST RECEIVABLE         21,609,527         17,548,500           CONTRIBUTIONS/ASSESSMENTS REC         7,403,583         6,354,427           MISCELLANEOUS RECEIVABLES         2,188         2,370           TOTAL RECEIVABLES         29,015,298         23,905,297           OTHER ASSETS         INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           OPERATING CASH (NOTE 3)         8,905,245         8,511,301           DUE FROM OTHER AGENCIES (NOTE 4)         89,903         144,636           FIXED ASSETS (NET) (NOTE 5)         1,013,164         423,388           TOTAL ASSETS         \$ 5,007,781,920         \$ 4,446,645,840           LIABILITIES:         3,464,962         2,975,624           ACCQUED EXPENSES         442,004         402,723           CAPITAL LEASE PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           DUE TO OTHER AGENCIES (NOTE 6)         89,903         144,636           TOTAL LIABILITIES         583,350,398         471,209,356           NET ASSETS AVAILABLE:         NET ASSETS AVAILABLE:         302,922,897         286,853,033           NET ASSETS AVAILABLE END OF PERIOD         442,431,522	,		<u> </u>
DIVIDEND/INTEREST RECEIVABLE         21,609,527         17,548,500           CONTRIBUTIONS/ASSESSMENTS REC         7,403,583         6,354,427           MISCELLANEOUS RECEIVABLES         29,015,298         23,905,297           TOTAL RECEIVABLES         29,015,298         23,905,297           OTHER ASSETS         INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           OPERATING CASH (NOTE 3)         8,905,245         8,511,301           DUE FROM OTHER AGENCIES (NOTE 4)         89,903         144,636           FIXED ASSETS (NET) (NOTE 5)         1,013,164         423,388           TOTAL ASSETS         \$5,007,781,920         \$4,446,645,840           LIABILITIES:         3,464,962         2,975,624           ACCOUNTS PAYABLE         3,464,962         2,975,624           ACCRUED EXPENSES         442,004         402,723           CAPITAL LEASE PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           DUE TO OTHER AGENCIES (NOTE 6)         89,903         144,636           TOTAL LIABILITIES         583,350,398         471,209,356           NET ASSETS AVAILABLE:         298,051,573         291,355,037           NET ASSETS AVAILABLE END O	TOTAL INVESTMENTS	4,389,414,331	3,945,987,790
CONTRIBUTIONS/ASSESSMENTS REC         7,403,583         6,354,427           MISCELLANEOUS RECEIVABLES         2,188         2,370           TOTAL RECEIVABLES         29,015,298         23,905,297           OTHER ASSETS         INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           OPERATING CASH (NOTE 3)         8,905,245         8,511,301           DUE FROM OTHER AGENCIES (NOTE 4)         89,903         144,636           FIXED ASSETS (NET) (NOTE 5)         1,013,164         423,388           TOTAL ASSETS         \$5,007,781,920         \$4,446,645,840           LIABILITIES:         3,464,962         2,975,624           ACCOUNTS PAYABLE         3,464,962         2,975,624           ACCRUED EXPENSES         442,004         402,723           CAPITAL LEASE PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           DUE TO OTHER AGENCIES (NOTE 6)         89,903         144,636           TOTAL LIABILITIES         583,350,398         471,209,356           NET ASSETS AVAILABLE:         NET ASSETS AVAILABLE BEGIN OF YEAR         3,975,436,484         3,478,716,828           CASH IN DURING YEAR (NOTE 7)         302,922,897         286,853,033	RECEIVABLES		
CONTRIBUTIONS/ASSESSMENTS REC MISCELLANEOUS RECEIVABLES         7,403,583 2,188         6,354,427 2,370           TOTAL RECEIVABLES         29,015,298         23,905,297           OTHER ASSETS INVESTED SECURITIES LENDING COLLATERAL (NOTE 2) OPERATING CASH (NOTE 3) B,905,245 B,511,301 DUE FROM OTHER AGENCIES (NOTE 4) B,903 144,636 FIXED ASSETS (NET) (NOTE 5) 1,013,164 423,388         423,388           TOTAL ASSETS         \$5,007,781,920 \$4,446,645,840           LIABILITIES: ACCOUNTS PAYABLE ACCRUED EXPENSES ACCRUED EX	DIVIDEND/INTEREST RECEIVABLE	21,609,527	17,548,500
MISCELLANEOUS RECEIVABLES         2,188         2,370           TOTAL RECEIVABLES         29,015,298         23,905,297           OTHER ASSETS         3,905,297           INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           OPERATING CASH (NOTE 3)         8,905,245         8,511,301           DUE FROM OTHER AGENCIES (NOTE 4)         89,903         144,636           FIXED ASSETS (NET) (NOTE 5)         1,013,164         423,388           TOTAL ASSETS         \$5,007,781,920         \$4,446,645,840           LIABILITIES:         ACCOUNTS PAYABLE         3,464,962         2,975,624           ACCQUED EXPENSES         442,004         402,723           CAPITAL LEASE PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           DUE TO OTHER AGENCIES (NOTE 6)         89,903         144,636           TOTAL LIABILITIES         583,350,398         471,209,356           NET ASSETS AVAILABLE:         NET ASSETS AVAILABLE BEGIN OF YEAR         3,975,436,484         3,478,716,828           CASH IN DURING YEAR (NOTE 7)         302,922,897         286,853,033           CASH OUT DURING YEAR (NOTE 8)         298,051,573         291,355,037           N	CONTRIBUTIONS/ASSESSMENTS REC		
TOTAL RECEIVABLES         29,015,298         23,905,297           OTHER ASSETS         INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           OPERATING CASH (NOTE 3)         8,905,245         8,511,301           DUE FROM OTHER AGENCIES (NOTE 4)         89,903         144,636           FIXED ASSETS (NET) (NOTE 5)         1,013,164         423,388           TOTAL ASSETS         \$5,007,781,920         \$4,446,645,840           LIABILITIES:         3,464,962         2,975,624           ACCOUNTS PAYABLE         3,464,962         2,975,624           ACCRUED EXPENSES         442,004         402,723           CAPITAL LEASE PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           DUE TO OTHER AGENCIES (NOTE 6)         89,903         1444,636           TOTAL LIABILITIES         583,350,398         471,209,356           NET ASSETS AVAILABLE:         NET ASSETS AVAILABLE BEGIN OF YEAR         3,975,436,484         3,478,716,828           CASH IN DURING YEAR (NOTE 7)         302,922,897         286,853,033           CASH OUT DURING YEAR (NOTE 8)         298,051,573         291,355,037           NET ASSETS AVAILABLE END OF PERIOD         4,424,431,522 <t< td=""><td>MISCELLANEOUS RECEIVABLES</td><td></td><td></td></t<>	MISCELLANEOUS RECEIVABLES		
OTHER ASSETS         INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)       579,343,979       467,673,428         OPERATING CASH (NOTE 3)       8,905,245       8,511,301         DUE FROM OTHER AGENCIES (NOTE 4)       89,903       144,636         FIXED ASSETS (NET) (NOTE 5)       1,013,164       423,388         TOTAL ASSETS       \$5,007,781,920       \$4,446,645,840         LIABILITIES:       3,464,962       2,975,624         ACCOUNTS PAYABLE       3,464,962       2,975,624         ACCRUED EXPENSES       442,004       402,723         CAPITAL LEASE PAYABLE       9,550       12,945         SECURITIES LENDING COLLATERAL (NOTE 2)       579,343,979       467,673,428         DUE TO OTHER AGENCIES (NOTE 6)       89,903       144,636         TOTAL LIABILITIES       583,350,398       471,209,356         NET ASSETS AVAILABLE:       NET ASSETS AVAILABLE BEGIN OF YEAR       3,975,436,484       3,478,716,828         CASH IN DURING YEAR (NOTE 7)       302,922,897       286,853,033         CASH OUT DURING YEAR (NOTE 8)       298,051,573       291,355,037         NET ASSETS AVAILABLE END OF PERIOD       4,424,431,522       3,975,436,484         NET ASSETS AVAILABLE END OF PERIOD       4,424,431,522       3,975,436,484			<del></del>
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2) 579,343,979 467,673,428 OPERATING CASH (NOTE 3) 8,905,245 8,511,301 DUE FROM OTHER AGENCIES (NOTE 4) 89,903 144,636 FIXED ASSETS (NET) (NOTE 5) 1,013,164 423,388 TOTAL ASSETS (NET) (NOTE 5) \$ 5,007,781,920 \$ 4,446,645,840	TOTAL RECEIVABLES	29,015,298	23,905,297
OPERATING CASH (NOTE 3)         8,905,245         8,511,301           DUE FROM OTHER AGENCIES (NOTE 4)         89,903         144,636           FIXED ASSETS (NET) (NOTE 5)         1,013,164         423,388           TOTAL ASSETS         \$ 5,007,781,920         \$ 4,446,645,840           LIABILITIES:         3,464,962         2,975,624           ACCQUNTS PAYABLE         3,464,962         2,975,624           ACCRUED EXPENSES         442,004         402,723           CAPITAL LEASE PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           DUE TO OTHER AGENCIES (NOTE 6)         89,903         144,636           TOTAL LIABILITIES         583,350,398         471,209,356           NET ASSETS AVAILABLE:         S83,350,398         471,209,356           NET ASSETS AVAILABLE BEGIN OF YEAR         3,975,436,484         3,478,716,828           CASH IND DURING YEAR (NOTE 7)         302,922,897         286,853,033           CASH OUT DURING YEAR (NOTE 8)         298,051,573         291,355,037           NET INCREASE (DECREASE)         444,123,714         501,221,660           NET ASSETS AVAILABLE END OF PERIOD         4,424,431,522         3,975,436,484	OTHER ASSETS		
OPERATING CASH (NOTE 3)         8,905,245         8,511,301           DUE FROM OTHER AGENCIES (NOTE 4)         89,903         144,636           FIXED ASSETS (NET) (NOTE 5)         1,013,164         423,388           TOTAL ASSETS         \$ 5,007,781,920         \$ 4,446,645,840           LIABILITIES:         3,464,962         2,975,624           ACCQUNTS PAYABLE         3,464,962         2,975,624           ACCRUED EXPENSES         442,004         402,723           CAPITAL LEASE PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           DUE TO OTHER AGENCIES (NOTE 6)         89,903         144,636           TOTAL LIABILITIES         583,350,398         471,209,356           NET ASSETS AVAILABLE:         S83,350,398         471,209,356           NET ASSETS AVAILABLE BEGIN OF YEAR         3,975,436,484         3,478,716,828           CASH IND DURING YEAR (NOTE 7)         302,922,897         286,853,033           CASH OUT DURING YEAR (NOTE 8)         298,051,573         291,355,037           NET INCREASE (DECREASE)         444,123,714         501,221,660           NET ASSETS AVAILABLE END OF PERIOD         4,424,431,522         3,975,436,484	INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	579,343,979	467,673,428
DUE FROM OTHER AGENCIES (NOTE 4)         89,903         144,636           FIXED ASSETS (NET) (NOTE 5)         1,013,164         423,388           TOTAL ASSETS         \$5,007,781,920         \$4,446,645,840           LIABILITIES:         CCOUNTS PAYABLE         3,464,962         2,975,624           ACCQUED EXPENSES         442,004         402,723           CAPITAL LEASE PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           DUE TO OTHER AGENCIES (NOTE 6)         89,903         144,636           TOTAL LIABILITIES         583,350,398         471,209,356           NET ASSETS AVAILABLE:         S8,903         471,209,356           NET ASSETS AVAILABLE BEGIN OF YEAR         3,975,436,484         3,478,716,828           CASH IN DURING YEAR (NOTE 7)         302,922,897         286,853,033           CASH OUT DURING YEAR (NOTE 8)         298,051,573         291,355,037           NET INCREASE (DECREASE)         444,123,714         501,221,660           NET ASSETS AVAILABLE END OF PERIOD         4,424,431,522         3,975,436,484	` ,		· · ·
FIXED ASSETS (NET) (NOTE 5)         1,013,164         423,388           TOTAL ASSETS         \$ 5,007,781,920         \$ 4,446,645,840           LIABILITIES:         3,464,962         2,975,624           ACCOUNTS PAYABLE         3,464,962         2,975,624           ACCRUED EXPENSES         442,004         402,723           CAPITAL LEASE PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           DUE TO OTHER AGENCIES (NOTE 6)         89,903         144,636           TOTAL LIABILITIES         583,350,398         471,209,356           NET ASSETS AVAILABLE:         S8,975,436,484         3,478,716,828           CASH IN DURING YEAR (NOTE 7)         302,922,897         286,853,033           CASH OUT DURING YEAR (NOTE 8)         298,051,573         291,355,037           NET INCREASE (DECREASE)         444,123,714         501,221,660           NET ASSETS AVAILABLE END OF PERIOD         4,424,431,522         3,975,436,484			
TOTAL ASSETS         \$ 5,007,781,920         \$ 4,446,645,840           LIABILITIES:         3,464,962         2,975,624           ACCOUNTS PAYABLE         3,464,962         2,975,624           ACCRUED EXPENSES         442,004         402,723           CAPITAL LEASE PAYABLE         9,550         12,945           SECURITIES LENDING COLLATERAL (NOTE 2)         579,343,979         467,673,428           DUE TO OTHER AGENCIES (NOTE 6)         89,903         144,636           TOTAL LIABILITIES         583,350,398         471,209,356           NET ASSETS AVAILABLE:         SECURITIES AVAILABLE:         3,975,436,484         3,478,716,828           CASH IN DURING YEAR (NOTE 7)         302,922,897         286,853,033         291,355,037           NET INCREASE (DECREASE)         444,123,714         501,221,660           NET ASSETS AVAILABLE END OF PERIOD         4,424,431,522         3,975,436,484	,		·
LIABILITIES:  ACCOUNTS PAYABLE  ACCRUED EXPENSES  ACCRUED EXPENSES  CAPITAL LEASE PAYABLE  SECURITIES LENDING COLLATERAL (NOTE 2)  DUE TO OTHER AGENCIES (NOTE 6)  TOTAL LIABILITIES  NET ASSETS AVAILABLE:  NET ASSETS AVAILABLE BEGIN OF YEAR  CASH IN DURING YEAR (NOTE 7)  CASH OUT DURING YEAR (NOTE 8)  NET INCREASE (DECREASE)  NET ASSETS AVAILABLE END OF PERIOD  A,424,431,522  3,975,436,484  3,975,436,484  3,975,436,484  3,478,716,828  298,051,573  291,355,037  AUTION AND AND AND AND AND AND AND AND AND AN	, , , , , ,		· · · · · · · · · · · · · · · · · · ·
ACCOUNTS PAYABLE ACCRUED EXPENSES ACCRUE	TOTAL ASSETS	\$ 5,007,781,920	\$ 4,446,645,840
ACCRUED EXPENSES CAPITAL LEASE PAYABLE SECURITIES LENDING COLLATERAL (NOTE 2) DUE TO OTHER AGENCIES (NOTE 6)  TOTAL LIABILITIES  NET ASSETS AVAILABLE NET ASSETS AVAILABLE BEGIN OF YEAR CASH IN DURING YEAR (NOTE 7) CASH OUT DURING YEAR (NOTE 8) NET INCREASE (DECREASE)  NET ASSETS AVAILABLE END OF PERIOD  4,424,431,522  442,004 402,723 442,905 12,945 579,343,979 467,673,428 144,636  583,350,398  471,209,356	LIABILITIES:		
ACCRUED EXPENSES CAPITAL LEASE PAYABLE SECURITIES LENDING COLLATERAL (NOTE 2) DUE TO OTHER AGENCIES (NOTE 6)  TOTAL LIABILITIES  NET ASSETS AVAILABLE NET ASSETS AVAILABLE BEGIN OF YEAR CASH IN DURING YEAR (NOTE 7) CASH OUT DURING YEAR (NOTE 8) NET INCREASE (DECREASE)  NET ASSETS AVAILABLE END OF PERIOD  4,424,431,522 3,975,436,484 402,723 402,723 467,673,428 579,343,979 467,673,428 471,209,356  89,903  144,636  170 A SSETS AVAILABLE BEGIN OF YEAR A SAMPLE ASSETS AVAILABLE BEGIN OF YEAR A SAMPLE ASSETS AVAILABLE BEGIN OF YEAR A SAMPLE ASSETS AVAILABLE END OF PERIOD  4,424,431,522 3,975,436,484	ACCOUNTS PAYABLE	3,464,962	2,975,624
SECURITIES LENDING COLLATERAL (NOTE 2)       579,343,979       467,673,428         DUE TO OTHER AGENCIES (NOTE 6)       89,903       144,636         TOTAL LIABILITIES       583,350,398       471,209,356         NET ASSETS AVAILABLE:       3,975,436,484       3,478,716,828         CASH IN DURING YEAR (NOTE 7)       302,922,897       286,853,033         CASH OUT DURING YEAR (NOTE 8)       298,051,573       291,355,037         NET INCREASE (DECREASE)       444,123,714       501,221,660         NET ASSETS AVAILABLE END OF PERIOD       4,424,431,522       3,975,436,484	ACCRUED EXPENSES	442,004	
SECURITIES LENDING COLLATERAL (NOTE 2)       579,343,979       467,673,428         DUE TO OTHER AGENCIES (NOTE 6)       89,903       144,636         TOTAL LIABILITIES       583,350,398       471,209,356         NET ASSETS AVAILABLE:       3,975,436,484       3,478,716,828         CASH IN DURING YEAR (NOTE 7)       302,922,897       286,853,033         CASH OUT DURING YEAR (NOTE 8)       298,051,573       291,355,037         NET INCREASE (DECREASE)       444,123,714       501,221,660         NET ASSETS AVAILABLE END OF PERIOD       4,424,431,522       3,975,436,484	CAPITAL LEASE PAYABLE		
DUE TO OTHER AGENCIES (NOTE 6)       89,903       144,636         TOTAL LIABILITIES       583,350,398       471,209,356         NET ASSETS AVAILABLE:       3,975,436,484       3,478,716,828         CASH IN DURING YEAR (NOTE 7)       302,922,897       286,853,033         CASH OUT DURING YEAR (NOTE 8)       298,051,573       291,355,037         NET INCREASE (DECREASE)       444,123,714       501,221,660         NET ASSETS AVAILABLE END OF PERIOD       4,424,431,522       3,975,436,484	SECURITIES LENDING COLLATERAL (NOTE 2)		
NET ASSETS AVAILABLE:       3,975,436,484       3,478,716,828         NET ASSETS AVAILABLE BEGIN OF YEAR       302,922,897       286,853,033         CASH IN DURING YEAR (NOTE 7)       298,051,573       291,355,037         NET INCREASE (DECREASE)       444,123,714       501,221,660         NET ASSETS AVAILABLE END OF PERIOD       4,424,431,522       3,975,436,484			144,636
NET ASSETS AVAILABLE BEGIN OF YEAR       3,975,436,484       3,478,716,828         CASH IN DURING YEAR (NOTE 7)       302,922,897       286,853,033         CASH OUT DURING YEAR (NOTE 8)       298,051,573       291,355,037         NET INCREASE (DECREASE)       444,123,714       501,221,660         NET ASSETS AVAILABLE END OF PERIOD       4,424,431,522       3,975,436,484	TOTAL LIABILITIES	583,350,398	471,209,356
NET ASSETS AVAILABLE BEGIN OF YEAR       3,975,436,484       3,478,716,828         CASH IN DURING YEAR (NOTE 7)       302,922,897       286,853,033         CASH OUT DURING YEAR (NOTE 8)       298,051,573       291,355,037         NET INCREASE (DECREASE)       444,123,714       501,221,660         NET ASSETS AVAILABLE END OF PERIOD       4,424,431,522       3,975,436,484	NET ASSETS AVAILABLE:		
CASH IN DURING YEAR (NOTE 7)       302,922,897       286,853,033         CASH OUT DURING YEAR (NOTE 8)       298,051,573       291,355,037         NET INCREASE (DECREASE)       444,123,714       501,221,660         NET ASSETS AVAILABLE END OF PERIOD       4,424,431,522       3,975,436,484		3 075 136 181	3 478 716 828
CASH OUT DURING YEAR (NOTE 8)       298,051,573       291,355,037         NET INCREASE (DECREASE)       444,123,714       501,221,660         NET ASSETS AVAILABLE END OF PERIOD       4,424,431,522       3,975,436,484			
NET INCREASE (DECREASE)         444,123,714         501,221,660           NET ASSETS AVAILABLE END OF PERIOD         4,424,431,522         3,975,436,484	,		
NET ASSETS AVAILABLE END OF PERIOD         4,424,431,522         3,975,436,484			
	NET INONEAGE (DEGNEAGE)	444,123,114	301,221,000
TOTAL LIABILITIES & NET ASSETS AVAILABLE \$ 5,007,781,920 \$ 4,446,645,840	NET ASSETS AVAILABLE END OF PERIOD	4,424,431,522	3,975,436,484
	TOTAL LIABILITIES & NET ASSETS AVAILABLE	\$ 5,007,781,920	\$ 4,446,645,840

## ND RETIREMENT AND INVESTMENT OFFICE Combined Profit and Loss Statement For the Month Ended 6/30/2005

ADDITIONS:	Month Ended <u>6-30-05</u>	Year-to-Date
INVESTMENT INCOME INTEREST/DIVIDEND INCOME SECURITIES LENDING INCOME	\$ 10,315,326 1,469,963 11,785,289	\$ 117,195,685 10,882,785 128,078,470
GAIN ON SALE OF INVESTMENTS LOSS ON SALE OF INVESTMENTS	46,437,382 22,129,565	443,405,543 261,771,499
NET GAINS (LOSSES) INVESTMENTS	24,307,817	181,634,044
INVESTMENT EXPENSES SECURITIES LENDING EXPENSES	1,719,065 1,332,011	14,124,555 9,758,763
NET INVESTMENT INCOME	33,042,030	285,829,196
NET APPREC (DEPREC) MARKET VALUE MISCELLANEOUS INCOME/(EXPENSE)	31,902,373 (723,192)	186,329,667 (2,993,079)
TOTAL INVESTMENT INCOME	64,221,211	469,165,784
CONTRIBUTIONS & ASSESSMENTS (NOTE 9) PURCHASED SERVICE CREDIT (NOTE 10) PENALTY & INTEREST (NOTE 11)	7,433,042 773,905 1,055	60,776,915 3,292,441 3,525
TOTAL ADDITIONS	72,429,213	533,238,665
DEDUCTIONS: BENEFITS PAID PARTICIPANTS (NOTE 12) PARTIAL LUMP SUM DISTRIBUTIONS PAID REFUNDS TO MEMBER (NOTE 13)	7,323,878 231,708 165,286	84,125,369 372,761 2,733,407
TOTAL BENEFITS PAID	7,720,872	87,231,537
ADMINISTRATIVE EXPENSES SALARIES AND BENEFITS OPERATING EXPENSES	82,761 (338,959)	906,336 977,078
TOTAL ADMINISTRATIVE EXPENSES	(256,198)	1,883,414
TOTAL DEDUCTIONS	7,464,674	89,114,951
NET INCREASE (DECREASE)	\$ 64,964,539	\$ 444,123,714

## ND RETIREMENT AND INVESTMENT OFFICE Notes to Combined Financial Statement June 30, 2005

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

## NOTE 1 INVESTED CASH

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company or a money market demand account at the Bank of North Dakota.

### NOTE 2 SECURITIES LENDING COLLATERAL

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

### NOTE 3 OPERATING CASH

Money market and checking accounts at the Bank of North Dakota and RIO's operating account at the State Treasurer's Office.

### NOTE 4 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

### NOTE 5 FIXED ASSETS

Office furniture and equipment capitalized by RIO, shown net of depreciation. Depreciation is calculated straight-line, over five years.

### NOTE 6 DUE TO OTHER AGENCIES

Amounts received from agencies in excess of amounts allocated for RIO administrative expenses.

# ND RETIREMENT AND INVESTMENT OFFICE Notes to Combined Financial Statement 6/30/2005

#### NOTE 7 CASH IN DURING YEAR

Cash transferred into investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

### NOTE 8 CASH OUT DURING YEAR

Cash transferred out of investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

### NOTE 9 CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

### NOTE 10 PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

### NOTE 11 PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

### NOTE 12 BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

### NOTE 13 REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.